

HOUSE BUDGET COMMITTEE

Democratic Caucus

The Honorable John M. Spratt Jr. ■ Ranking Democratic Member

B-71 Cannon HOB ■ Washington, DC 20515 ■ 202-226-7200 ■ www.house.gov/budget_democrats

November 13, 2003

Broken Promises: Republicans Fail to Support Education

Dear Democratic Colleague:

Attached is a description of the Republicans' many broken promises on education funding. Republicans made specific promises in the No Child Left Behind Act, but their 2004 appropriations bill provides about \$8 billion less than the Act authorized for elementary and secondary education programs. They made specific — and more modest — promises in their budget resolution this spring, but the Republican appropriations bill does not even live up to those promises.

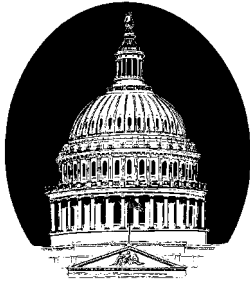
If you have any questions, or would like more details about the budget resolution or the President's 2004 budget, please check our website at <www.house.gov/budget_democrats> or contact me or the Budget Committee's Democratic Staff at 226-7200.

Sincerely,

/s

John M. Spratt, Jr.

Ranking Democratic Member



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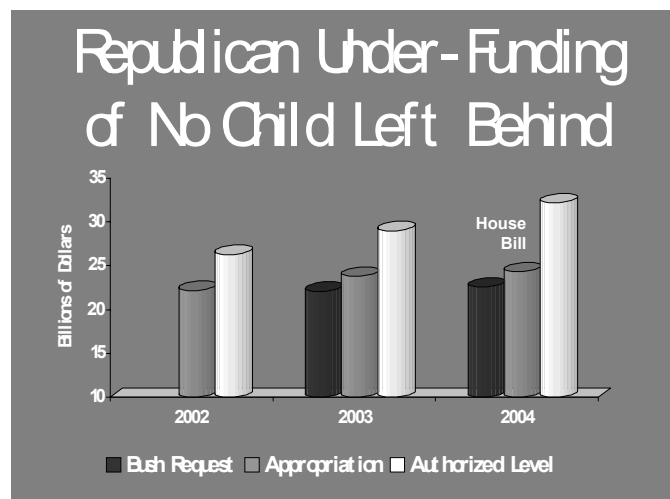
Republicans want to take credit for past increases in education funding while cutting or freezing funds for most education programs in the 2004 budget. In reality, this posturing just means Republicans are turning their backs on low-income high school graduates who aspire to attend college, students who need after-school assistance to keep up with their classmates, and children in overcrowded classrooms with undertrained teachers.

The need for funding is compelling. Across the country, schools are struggling to meet the high standards of the “No Child Left Behind Act” (NCLB). The “Individuals with Disabilities Education Act” (IDEA) also requires school districts to educate all children appropriately, even though Congress is providing only 18 percent of the average cost of educating students with disabilities, and the law allows the federal contribution to cover up to 40 percent. Finally, House Republicans propose to freeze the maximum Pell Grant (and the President proposes to cut it by \$50) just as more high school graduates become eligible for aid due to the downturn in the economy. Clearly, now is not the time to ignore funding needs, yet that is what Republicans are doing on all fronts — elementary and secondary education, special education, and higher education.

Broken Promises in the No Child Left Behind Act

In January 2002, President Bush signed the NCLB and promised to support the funding necessary to implement it. That law raises the goals for student achievement in the country’s elementary and secondary schools, and imposes substantial mandates. For 2004, it authorizes \$32 billion to aid economically disadvantaged students — to train teachers, to reform failing schools, to fund after-school programs, to keep students safe, and much more.

But the House appropriations bill funding the Department of Education falls far short of NCLB’s promises. It increases funding



for NCLB programs by a meager 1.6 percent, about \$8 billion less than what Congress and the President said was needed to support the Act next year. For example, NCLB authorizes \$18.5 billion for Title I (Education for the Disadvantaged), but the House funding bill provides only \$12.3 billion. The Act authorizes \$1.7 billion for after-school programs, but the House bill provides only \$1.0 billion.

No Child Left Behind promised to raise student achievement by training teachers and reducing class sizes. But because of a lack of funding, classes are getting bigger, schools are closing earlier, cities are cutting out summer school, and principals are laying off teachers and staff. This is nobody's prescription for helping children learn.

Broken Promises in the 2004 Budget Resolution

In April, the 2004 Republican budget resolution explicitly promised an overall \$3.0 billion increase for the Department of Education, including increases of \$1.3 billion for Pell Grants, \$1.0 billion for Title I, and \$2.2 billion for IDEA. The House's Labor-HHS-Education appropriations bill keeps not one of these promises.

| Program | Budget Resolution Promise | House-passed Labor-HHS-ED Bill Reality |
|--|---------------------------|--|
| Department of Education overall funding | \$3.0 billion increase | \$2.3 billion increase: \$700 million short |
| Pell Grants | \$1.3 billion increase | \$890 million increase: more than \$400 million short, freezes maximum award |
| Title I | \$1.0 billion increase | \$666 million increase: \$334 million short and \$6.1 billion below level authorized in NCLB |
| Individuals with Disabilities Education Act (IDEA) | \$2.2 billion increase | \$1 billion increase: \$1.2 billion short |

The House bill provides \$700 million less than promised for the Department of Education. It falls short of the budget resolution's Pell Grant goal by more than \$400 million, freezing the maximum Pell Grant award at \$4,050. Title I receives \$334 million less than the Republicans vowed to provide in the budget resolution, which is an astounding \$6.1 billion below the level authorized just last year in NCLB. IDEA's increase is \$1.2 billion short of what the budget resolution pledged families with disabled children.

The reason why Republicans break their promises to fund key priorities like education is clear: their budget needs to make room for \$1.3 trillion in new tax cuts (including debt service) on top of the \$2.6 trillion in tax cuts they have already enacted into law since 2001.

Cuts in the President's 2004 Education Budget

The President's 2004 budget is even more dismal than the House funding bill. The President's budget provides \$53.1 billion in appropriations for the Department of Education, a freeze at the 2003 enacted level but \$594 million (1.1 percent) below the amount needed to maintain purchasing power at the 2003 level. Of the 2004 total, \$1.9 billion is dedicated to filling the shortfall in Pell Grant funding from prior years, and thus provides no new education aid for 2004. Discounting this \$1.9 billion, the President's budget provides significantly less than the 2003 enacted level for education programs for 2004.

The 2004 budget continues the theme in the President's previous budget by eliminating 46 education programs, cutting most other programs back to the 2002 enacted level, and increasing funding for just a few. At the same time, it diverts federal funding from public schools and into private schools through a new tax credit to offset the cost of some students attending private schools; this proposal costs \$226 million in 2004 and \$3.3 billion over five years (2004-2008).

- ***Cuts Funding for No Child Left Behind Act*** — The \$22.6 billion to fund programs under the No Child Left Behind Act (NCLB) in the President's budget is \$1.2 billion below the 2003 enacted level, \$1.4 billion below the amount needed to maintain purchasing power at the 2003 level, and more than \$9 billion below the amount authorized for 2004.
- ***Cuts Major Education Programs*** — The budget cuts many programs below the 2003 enacted level and even farther below the amount needed to maintain purchasing power at the 2003 level, including the following:
 - ***21st Century Community Learning Centers*** after-school program receives \$600 million, a cut of \$392 million from the 2003 enacted level and of \$411 million (40.7 percent) from the amount needed to maintain purchasing power at the 2003 level. It is \$1.2 billion below the level Congress authorized for 2004 in NCLB;
 - ***Teacher Quality*** programs receive \$3.1 billion, a cut of \$268 million (7.9 percent) from the 2003 enacted level;
 - ***Education Technology*** programs receive \$722 million, a cut of \$53 million from the 2003 enacted level;
 - ***Impact Aid*** receives \$1.0 billion, a cut of \$173 million from the 2003 enacted level and of \$192 million (15.9 percent) from the amount needed to maintain purchasing power at the 2003 level;
 - ***Vocational Education*** receives \$1.0 billion for 2004, a cut of \$336 million (25.1 percent) from the 2003 enacted level;

Special Education

The budget provides \$9.5 billion for the Individuals with Disabilities Education Act (IDEA) Part B grants to states, an increase of \$654 million over the 2003 enacted level, and \$488 million (5.4 percent) over the amount needed to maintain purchasing power at the 2003 level. However, the 2004 funding puts the federal contribution at only 19 percent of the national average per pupil expenditure, still less than half the 40 percent "full funding" federal contribution ceiling authorized by IDEA.

— ***Safe and Drug-Free Schools*** program receives \$694 million, a cut of \$22 million (3.0 percent) below the 2003 enacted level; and

— ***Perkins Loan*** program receives \$68 million, a cut of \$99 million below the 2003 enacted level and of \$102 million (60.3 percent) from the amount needed to maintain purchasing power at the 2003 level.

- ***Eliminates 46 Education Programs*** — The President's 2004 budget eliminates 46 programs that receive a total of \$1.6 billion for 2003. These programs range from a \$233 million Comprehensive School Reform program, to \$101 million for four programs to improve teacher quality, to \$112 million for five technology programs.
- ***Cuts Maximum Pell Grant*** — The budget cuts the maximum Pell Grant award by \$50 from the 2003 enacted level of \$4,050. It is the second straight year that the President has proposed keeping the maximum award at \$4000. This is in stark contrast to the last six years, in which Congress raised the maximum grant by amounts ranging from \$50 up to \$450.
- ***Cuts Campus-Based Financial Assistance*** — The 2004 budget reduces campus-based aid by \$160 million (8.2 percent) below the amount required to maintain purchasing power at the 2003 level and by \$127 million below the 2003 enacted level. This includes steep cuts to Perkins Loans and Supplemental Educational Opportunity Grants.
- ***Slashes Direct Aid to Students*** — The budget eliminates four student aid programs, cuts the program that provides child care for student-parents by 7.4 percent below the 2003 enacted level, and for the second year in a row freezes all other assistance for students at their 2002 enacted levels, thus undoing the increases enacted for 2003. This includes cutting TRIO by \$25 million (3.0 percent) and GEAR-UP by \$8 million (2.8 percent) below the 2003 enacted level.
- ***Cuts Aid to Higher Education Institutions*** — The budget cuts aid for institutional development by \$3.6 million (1.0 percent) from the 2003 enacted level. This includes cuts to Historically Black Graduate Institutions, tribally controlled colleges and universities, and Alaska Native and Native Hawaiian-serving Institutions. The budget freezes funding for Hispanic-serving Institutions.

Republicans have created an enormous budget deficit — forecast to be at least \$480 billion for 2004 — by providing tax breaks, especially for the wealthy. They now claim that their enormous federal budget deficit prevents them from providing adequate funding for education and a host of domestic priorities. But those budget constraints did not stop Republicans from providing an extra \$87 billion in defense and foreign aid for Iraq and Afghanistan, and are not stopping the President from supporting even more tax cuts.